Schmieding, Janice

From: KENNETH BURGESS <chad.burgess@dominionenergy.com>

Sent: Friday, May 14, 2021 2:43 PM

To: Butler, David; Nelson, Jeff; Hall, Roger; Grube-Lybarker, Carri; PSC_Contact

Subject: [External] RE: RE: DN 2019-108-G - Amendments to Gas Contract

Attachments: Butler Ltr from KCB (Explanation of Amendments to Ft Jackson Contract) (05 14 21).pdf

Good afternoon David. Attached to this email is a letter providing you with additional details about the amendments to the Fort Jackson contract. This letter is also being filed with the Commission's DMS system.

If you have any questions or need additional information, please do not hesitate to contact me.

Chad

From: Butler, David < David.Butler@psc.sc.gov>

Sent: Thursday, April 29, 2021 3:10 PM

To: Chad Burgess (Services - 6) <chad.burgess@dominionenergy.com>; Nelson, Jeff <jnelson@ors.sc.gov>; Hall, Roger <RHall@scconsumer.gov>; Carri Grube-Lybarker <clybarker@scconsumer.gov>; PSC_Contact <Contact@psc.sc.gov> Subject: [EXTERNAL] RE: [External] RE: DN 2019-108-G - Amendments to Gas Contract

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Thanks, Chad. David B.

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Hey David, thanks for your email. We'll be happy to explain the nature of the amendments.

Chad

From: Butler, David < David.Butler@psc.sc.gov>

Sent: Thursday, April 29, 2021 2:16 PM

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Chad:

The Commission is in receipt of the letter of April 12, 2021 regarding the amendments to the Fort Jackson contract.

We have reviewed the pages referred to in the body of the letter which refer to the amendments, but find that they are not very clear as to the exact nature of the amendments. Would it be possible to get another general description of the amendments? It would be much appreciated.

Thanks in advance for your help in this matter.

Regards,

David Butler

Special Counsel

Public Service Commission of South Carolina

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K. Chad Burgess Managing Counsel Dominion Energy Services, Inc.

220 Operation Way, MC C222, Cayce, SC 29033 DominionEnergy.com



May 14, 2021

VIA ELECTRONIC FILING

David Butler, Esquire

Public Service Commission of South Carolina
101 Executive Center Drive

Columbia, South Carolina 29211

RE: Dominion Energy South Carolina, Inc.;

Request for Approval of Contract to Acquire the Fort Jackson Natural

Gas Distribution

Docket No. 2019-108-G

Dear Mr. Butler:

The purpose of this letter is to reply to your email dated April 29, 2021, requesting additional information regarding two amendments, namely, P00010 and P00011, which modify certain terms of the contract between Dominion Energy South Carolina, Inc. ("DESC" or "Company") and the United States Department of Defense ("DoD") pursuant to which DESC owns and operates the natural gas distribution system that serves Fort Jackson. The contracting agent for the DoD is Defense Logistics Agency Energy FEE - Utility Services ("DLA").

Beginning with Amendment P00010, the Company, pursuant to the terms of the contract, is required to perform a recalculation for specific contract line item numbers ("CLINs") annually. After performing the required recalculations, DESC transmits this information to the DLA. In May 2019, the Company submitted its annual recalculations to the DLA which were accepted. In order to memorialize DLA's acceptance of the Company's recalculations Amendment P00010 was issued. In summary, Amendment P00010 updates the CLINs addressing the tariff rate (also known as the Contract Rate Charge), Extra Ordinary Maintenance, Secondary Meter Reading Charge, and Gross Receipt Tax / Public Service Commission Fee. A summary of these updated charges for these matters is located on Exhibit A, Page 2, Section B with detailed updated charges appearing on Exhibit A, Pages 3-4, Section C.

Amendment P00010 also revises, establishes, and funds various subCLINS and accounting classification reference numbers ("ACRNs"). The ACRNs are utilized by the federal government for its purposes. More specifically, Amendment P00010 revises ACRN AA and establishes ACRNs AD, AE, AF, AG, and AH. The updates to the ACRNs and pricing details are set forth in detail on Exhibit A, Pages 4-5, Section D.

David Butler, Esquire May 14, 2021 Page 2

Amendment P00010 also memorializes a credit in the amount of \$376.00 due to an overpayment of the utility service charges for contract months 8-11 of contract year 1 due to the tariff rates. The details of this amendment are on Exhibit A, Page 6, Section E.

Lastly, Amendment P00010 also causes contract attachment JA5 – Wage Determinations to be replaced in its entirety.

Turning to Amendment P00011, the DLA funds the utility privatization CLINs on an incremental basis in accordance with Department of Defense Federal Acquisition Regulation Supplement (DFARS) clause 252.232-7007, Limitation of Government's Obligation. The primary purpose of Amendment P00011 is to fund the contract from November 19, 2020 to June 18, 2021.

Amendment P00011 also establishes and funds SubCLINs 0002AA, 0052AA, 0102AA, and 0152AC, and revises and funds SubCLIN 0154AB. The detailed pricing for these amended provisions is set forth on Exhibit B, Pages 2-4, Section B.

Lastly, Amendment P00011 establishes ACRNs AH, AJ, AK, AL, and AM. The detailed pricing data for these ACRNs is set forth on Exhibit B, Pages 4-5, Section C.

We hope this helps with your further understanding of the details of amendments P00010 and P00011.

If you have any questions or need additional information, please do not hesitate to contact us.

Very truly yours,

K. Chad Burgess

KCB/kms

cc: Jeffrey M. Nelson, Esquire
(via electronic mail only)

Schmieding, Janice

From:

Butler, David

Sent:

Friday, May 14, 2021 2:48 PM

To:

KENNETH BURGESS; Nelson, Jeff; Hail, Roger; Grube-Lybarker, Carri; PSC Contact

Subject:

RE: [External] RE: RE: DN 2019-108-G - Amendments to Gas Contract

Chad:

Thanks very much, sir. I appreciate the information.

David Butler

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David Butler

Special Counsel

Public Service Commission of South Carolina

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